THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (e) Yes, Sir. The Rupee has appreciated against major freely convertible currencies, in particular US$, in the recent past. Due to this net realization in Rupee terms has been reduced by approximately 13% during last one year. The Committee constituted by Department of Commerce considered the issues relating to appreciation of Rupee and its impact on exports and have recommended a number of measures for immediate relief from the impact of Rupee appreciation. Accordingly, the following measures have been taken by the Government:

(i) DEPB rates enhanced by 3% for the following nine Sectors and 2% for others *w.e.f.* 1.4.2007 :

A. Textiles (including Handloom)

B. Readymade Garments

C. Leather Products

D. Handicrafts including carpets

E. Engineering Products

F. Processed Agricultural Products

G.. Marine Products

H. Sports Goods

I. Toys

(ii) Duty Drawback rates enhanced by Department of Revenue *w.e.f.* 1.4.2007;

(iii) ECGC Premia rates reduced by 10%;

(iv) Interest rate on pre and post shipment credit reduced by 2%;

(v) Funds provided to clear all pending cases of refund of Terminal Excise Duty, Central Sales Tax, Deemed Export Duty Drawback upto 31.3.2007;

(vi) RBI has been requested to work on the possibility of making Exchange Earners' Foreign Currency (EEFC) account interest bearing;

(vii) Ministry of Finance has been requested to immediately finalize and issue the Service Tax exemption/Refund notification in line with the provisions of Foreign Trade Policy.

Expert committee for possible impact of FDI in retail

1700. SHRI SITARAM YECHURY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government have set up an expert committee to study the possible impact of FDI in retail;

(b) if so, the details of composition of the members; and

(c) the findings and recommendations of the said Committee?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) Government has recently instituted a study in March, 2007 to assess the impact of organised retailing on unorganised retail trade including small retailers and vendors, through Indian Council for Research on International Economic Relations (ICRIER). A study on 'Foreign Direct Investment (FDI) in India and its Growth linkages' entrusted to the National Council on Applied Economic Research (NCAER) in July 2007 also has a component on impact of FDI on service sector in the rural economy.

(b) The list of elected members of the Board of Governors of ICRIER as available at its website (*www.icrier.org*) is given in the Statement (*See* below).

(c) The final report is yet to be submitted by the ICRIER.

Statement

List of elected members of the Board of Governors of ICRIER

Elected Members

1. Shri Uday S. Kotak,
   Vice Chairman and Managing Director, Kotak Mahindra Bank Ltd.

2. Dr. R.A. Mashelkar, FRS,
   President,
   Indian National Science Academy

3. Dr. Kirit S. Parikh, Member,
   Planning Commission

4. Dr. Swati A. Piramal,
   Director – Strategic Alliances and Communications,
   Nicholas Piramal India Limited

5. Ms. Janaki Kathpalia,
   Former Additional Secretary,
   Ministry of Finance, Deptt. of Economic Affairs

6. Dr. Vijay Kelkar,
   Former Advisor to Minister of Finance, Ministry of Finance,
   Chairman, IDFC Asset Management Company

7. Dr. Rakesh Mohan,
   Deputy Governor, Reserve Bank of India.

8. Shri N. Ravi, Editor,
   The Hindu

9. Shri Aman Mehta, Former
   Chief Executive,
   Hongkong Shanghai Banking Corporation

10. Prof. Shankar N. Acharya,
Former Chief Economic Advisor, Ministry of Finance and Honorary Professor, ICRIER

Co-opted Members

Shri N.K. Singh,
Former Member, Planning Commission

Shri Nitin Desai,
Former Dy. Secretary-General UN Conference on Environment and Development and Presently Honorary Professor, ICRIER

Ms. Chanda Kochhar, Dy.
Managing Director, ICICI
Bank Limited

Overseas Members

Prof. Arvind Panagariya,
Professor of Economics and Bhagwati Professor of Indian Political Economy, Columbia University.

Member Secretary

Dr. Rajiv Kumar,
Director and Chief Executive.

Rise in tyre prices despite reduction in duties

1701. SHRIMATI JAYA BACHCHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that despite reduction in the duties, prices of tyres have been going up; if so, what are the reasons therefor; and

(b) what steps Government have taken to address this situation?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) Tyre is a de-licensed and de-reserved item. Tyre prices are determined by market forces. Tyre prices have increased primarily due to increase in input-prices and increased demand for tyres.

(b) Government has reduced customs duty from 12.5% to 10% to make imports of tyres cheaper and augment the supply of tyres. Under Regional Trade Agreements, tyres can also be imported at preferential rates of customs duty which would be lower than 10%.

Review of spices and plantation sector in Kerala

1702. SHRI ABDUL WAHAB PEEVEE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Governrnent propose to review the spices and plantation sector in Kerala in the near future;